

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2011-48-W - ORDER NO. 2011-133
FEBRUARY 15, 2011

IN RE: Application of Quail Ridge Water System for)	ORDER WAIVING
Approval to Transfer Water System to)	HEARING AND
Clarendon County Water and Sewer)	APPROVING TRANSFER
)	OF WATER SYSTEM TO
)	CLARENDON COUNTY
)	WATER AND SEWER

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application of Quail Ridge Water System (“QRWS”) for approval of the sale and transfer of the public water system of Quail Ridge Shores Subdivision (“the Water System”) to the County of Clarendon, South Carolina (“the County”). The Application was received by the Commission on February 1, 2011.

By its Application, QRWS seeks the Commission’s approval for the sale and transfer of the Water System, including the necessary facilities and tangible and intangible properties, to the County, which will enable the County to operate the Water System and provide the County’s water service to the users. QRWS states that the prior owner of the Water System, Mr. Henry Rickenbaker, passed away in 2010, and it was decided that his estate should transfer ownership of the Water System to Clarendon County for the benefit of the health, safety and welfare of the residents of the Quail Ridge Shores Subdivision. Accordingly, Mr. Rickenbaker’s estate executed a Bill of Sale and Title to Real Estate on December 29, 2010. By letter dated January 6, 2011, the County

informed all QRWS customers of the transfer of ownership. This letter was mailed to all customers and constitutes actual notice of the sale.

No customers have protested the sale or otherwise complained of the transfer of the Water System to the County. QRWS has requested that the hearing provisions of 26 S.C. Code Ann. Regs. 103-704 (Supp. 2010) be waived. The County states a belief that a waiver of such provision is in the public interest in light of the death of Mr. Rickenbaker and the resulting loss of his expertise and ability to operate the Water System, and in light of the fact that the County's operation of the Water System will not be subject to this Commission's jurisdiction pursuant to S.C. Code Ann. 58-5-30 (Supp. 2010).

26 S.C. Code Ann. Regs. 103-704 (Supp. 2010) provides that "no existing public utility supplying water to the public ... shall hereafter sell, acquire, transfer, begin the construction or operation of any utility system, or any extension thereof, by the sale of stock or otherwise, without first obtaining from the Commission a certificate that the sale, transfer, or acquisition is in the public interest, or that public convenience and necessity require or will require construction or operation of any utility system, or extension." Although 26 S.C. Code Ann. Regs. 103-704 (Supp. 2010) also provides for notice and due hearing, 26 S.C. Code Ann. Regs. 103-701(3) (1976) provides that "in any case where compliance with any of these rules and regulations introduces unusual difficulty, such rules or regulations may be waived by the Commission upon a finding by the Commission that such waiver is in the public interest." This Commission notes that it has previously considered applications in the context of its weekly agenda session when the applications have no other parties involved and the application is not contested. The

Commission finds that a waiver of the hearing requirement in the present matter is in the public interest.

On Wednesday, February 9, 2011, the Commission in its regularly scheduled agenda session, with court reporter present, discussed and considered the Application. Based upon the Commission's consideration of the Application, the Commission makes the following Findings of Fact:

1. QRWS is certificated as a privately owned water system subject to the jurisdiction of the Commission, and the Water System is a public utility pursuant to S.C. Code Ann. Section 58-5-10(3) (Supp. 2010).

2. The County is a municipal corporation existing under the Constitution and laws of the State of South Carolina, and the County owns and operates a water supply and distribution systems by which it provides water services to users residing within and without municipal limits. Pursuant to S.C. Code Ann. Section 58-5-30 (Supp. 2010), the County's utility operations are not subject to the jurisdiction of the Commission.

3. QRWS has transferred its water supply and distribution facilities and system, including all necessary facilities and tangible and intangible properties, to the County of Clarendon, South Carolina, and subject to certain conditions and requirements as set forth in the Agreement and Bill of Sale by and between the parties.

4. The County asserts that transfer of the Water System to the County will benefit the health, safety and welfare of the QRWS customers in the Quail Ridge Shores Subdivision. In light of the circumstances presented here, the Commission finds that the public interest is served by the transfer.

Based upon the above Findings of Fact, the Commission concludes that the requested sale and transfer should be approved.

IT IS THEREFORE ORDERED THAT:

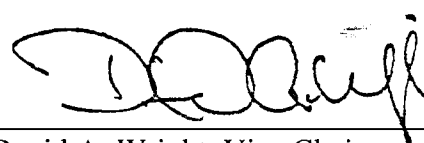
1. The Application of Quail Ridge Water System for Approval to Transfer Water System to Clarendon County Water and Sewer is approved.
2. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



John E. Howard, Chairman

ATTEST:



David A. Wright, Vice Chairman
(SEAL)